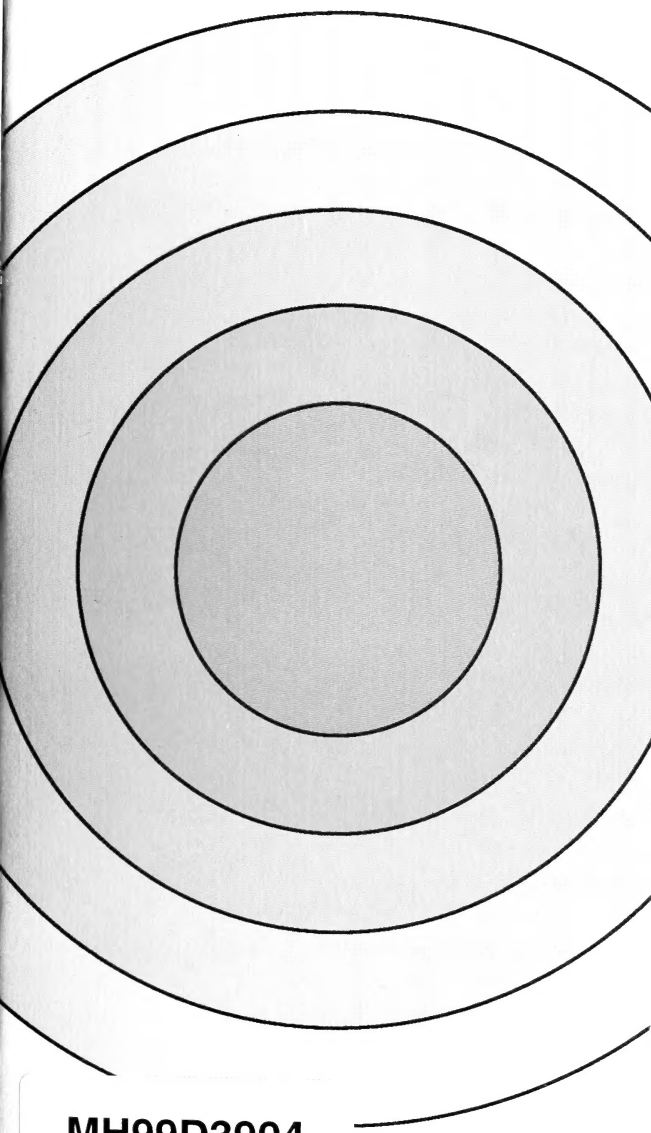


Health Marketing



MH99D3904



The Need for Health Marketing

A health agency has received funding to conduct a campaign to increase the number of infants and children receiving immunizations against childhood diseases at local clinics. Part of the funding will be used to promote, or “sell,” the idea of bringing children to the clinics to parents and guardians; part will be used to provide clinic services that are more attractive to clients than past clinics have been.

Before the agency can make decisions on how most effectively to promote the clinics (what media or messages to use), or what services (such as hours, locations of clinics) will be most attractive to clients, it must have a clear picture of its potential pool of clients, or “target population,” and the needs and interests of those clients.

To obtain this picture, the agency must use a “marketing approach.”



The Marketing Approach

The above situation is one of many faced by health organizations that require programs that are designed with an eye toward their acceptance by consumers. The marketing approach emphasizes achievement of organizational goals by tailoring products, services and ideas to the needs and desires of the target population. Conversely, marketing campaigns avoid efforts that are likely to fail because they offer a product, service or idea that is not matched to the market's tastes or desires.

This brochure will provide an *introduction* to the basic concepts and methods of marketing. If your organization is in the business of delivering services, using the marketing approach can benefit both the organization and the people you serve.



Marketing Applications for Health Organizations

Every health organization tries to meet certain health goals by providing services to people in its target population. It may try to reduce the incidence of childhood diseases by providing immunization clinics. A prenatal care program could be used to reduce infant mortality and low birth-weight. And a visiting nurse program would be one way of preventing unnecessary hospitalization of elderly persons.

Each of these programs is aimed at a certain *segment* of the organization's total target population. Immunization clinics must attract parents of young children; prenatal care programs must attract pregnant women; and a visiting nurse program must be accepted by both elderly persons and their adult children.

Marketing Strategy

A marketing strategy allows a health organization to identify the needs and interests of a particular population segment. It then tailors programs to meet those needs and interests, and selects the most effective messages and media for communicating information about the programs to the target group.

Marketing specialists generally agree that there are five basic stages in developing and implementing a market strategy. These are:

**Stage 1: Problem Definition
and Goal Setting**

Stage 2: Market Analysis

Stage 3: Planning and Design

Stage 4: Implementation

Stage 5: Evaluation



Stage 1

Problem Definition and Goal Setting

Goals and objectives are established by the health organization based on an assessment of specific local needs and problems, and on priorities set by local, state and federal governments. Goals and objectives should be defined as specifically as possible to allow for monitoring and evaluation of progress toward the goals. For example:

Problem: The number of infants and children receiving immunization at county clinics declined by 25 percent between 1982 and 1987, while the population of infants and children to age 10

increased by 10 percent during the same period. During the period 1982 to 1987, cases of reportable childhood diseases increased by 15 percent in the county.

Objective: To increase by 25 percent the number of infants and children receiving immunizations at county clinics during the period commencing _____ and ending _____.

Goal: To achieve a 15 percent reduction in the cases of childhood diseases reported during the period _____ to _____.



Stage 2

Market Analysis

During this stage, the health organization takes an indepth look at its target population, its own internal structure and resources, and the services provided by other health agencies. Gathering and analyzing this information will help the organization:

- determine the needs, behaviors and attitudes of target groups.
- determine the resources available to serve the target groups.
- avoid duplication of services and identify new opportunities to serve the public.

Market Segmentation

Analyzing a market should lead to "market segmentation;" that is, identifying the segments of the population to be served. A specific population segment should be identified for every program or service offered.

For example, low-income women of childbearing age would be the main segment at which a prenatal care program would be targeted. A healthy heart education campaign would be aimed at the segment of the population at risk for cardiovascular disease (men and women over 35 with one or more of the following risk factors: family history of heart disease, overweight, smoker, high blood pressure, high blood cholesterol).

These and other identified segments become the health organization's potential consumers, or target populations. To win acceptance of and participation in health programs by as many consumers as possible, the health organization must tailor its programs to the different needs and interests of the specific segments of the population to which each program is aimed. Before this tailoring can begin, the organization must know as much as possible about each market segment in terms of demographics, attitudes and awareness, behavior/lifestyles, previous health care use, specific health care wants and needs, and media preferences.

Demographics: information about the make-up of the population segment in terms of age, race, sex, income, types of employment, education level, household types, and place of residence.

Attitudes: beliefs of the target group regarding the importance of specific health-related behaviors (such as the belief by some that prenatal care is not important to having a healthy baby); awareness of health needs and the availability of services; cultural and religious beliefs that affect health behaviors; attitudes toward health professionals; etc.

Medical Data: information on the incidence of disease, accidental injuries, births, deaths, hospitalizations, etc., within the target population. (For example, the infant mortality and low birth-weight rates for the target population would be needed to develop a prenatal care program).

Wants/Needs: the target population's perceptions of what it wants and needs in terms of health services, health education, treatment by health professionals, clinic locations and hours, etc. (This information may take the form of complaints, such as a patient's complaint that clerical staff did not treat her with respect at a health clinic).

Media Use: the target population's favorite media (radio, television, newspapers, billboards, etc.), the specific stations, papers, etc., and the frequency and time of day they use the media.

(Note: In many cases, the main source of health care information for the patient/consumer may be a physician. By analyzing the agency's patient records, health administrators can identify physicians who refer patients most often and, by looking for omissions, those physicians who need an informational visit.)

Gathering Information

Analyzing a market and obtaining all the information needed to develop a profile of the target population may seem overwhelming, but it is not as difficult as it may appear. Much important information is available free or at modest cost from public sources. Depending on the availability of staff and funds, the health agency can conduct additional market research itself, hire a private marketing firm, or seek assistance on a volunteer or "pro bono" basis from a marketing expert or group, such as the marketing or business department of a local college or university.

Quantitative versus Qualitative

Market research involves the gathering, analyzing, and interpreting of two types of information. *Quantitative* information provides *hard facts*, such as demographic data, about the target population. Because the data is

used to make broad generalizations, a large sample of the population must be used. For example, quantitative research must be conducted to determine the percentage of total households in the target population whose income is at or below the federal poverty level.

Qualitative information is information about the *beliefs and perceptions* of the target population. This information can be obtained by using relatively small samples, so long as the information is not used to make broad generalizations. Individual interviews conducted with 25 or more persons from the target group, or small-group interviews (focus groups) of 8-12 persons, can give the health organization some insight into the attitudes and perceptions of the target group.

For example, if a health organization wishes to attract more pregnant and breastfeeding women into the Supplemental Food Program for Women, Infants and Children (WIC), it could conduct focus groups with current and potential WIC participants to learn what they perceive as barriers to participation in the program.

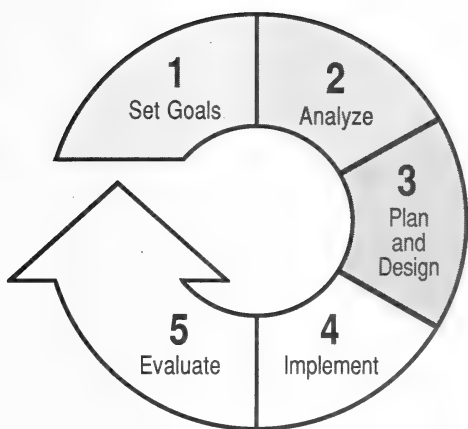
Sources of Information

Besides obtaining information directly from consumers, a health organization can obtain information about the market from both internal and external sources. Records kept by the health organization on public response to

previous and ongoing health programs should be examined. Administrators, project directors and staff members should be interviewed to obtain insights resulting from previous experiences.

Outside sources, both public and private, can provide information at little or no cost to health organizations. The local Chamber of Commerce, banks, newspapers and academic institutions often collect demographic information they are willing to share. The largest source of demographic information, however, is the U.S. Bureau of Census information on individuals and households. Much of this information is available free. For assistance, call the Census Bureau at (301) 763-4100.

Another good source of information for health organizations is the National Center for Health Statistics (NCHS), operated by the U.S. Department of Health and Human Services. The NCHS sponsors surveys on a variety of health-related topics. For assistance, call the NCHS at (301) 436-8500 and ask for a mailing list request form and a copy of the "Current Listing and Topical Index to the Vital and Health Statistics Series."



Stage 3

Planning and Design

Profiles of population segments developed from information gathered during the market analysis comprise the basis for a comprehensive and ongoing *market strategy*. This strategy consists of one or more *campaigns* in which the health organization's programs and services are promoted and offered in ways that make them attractive to consumers.

Marketing strategies are planned and designed around four components that marketing specialists refer to as the "marketing mix" or the "Four Ps." They are: Product, Price, Promotion, and Place.

Product: This is the offering that is exchanged with the consumer for a price. In health, the product may be a service (blood pressure clinic) or an idea (ways to prevent heart disease). Products should reflect the needs and wants of the target population.

Price: This is anything a consumer exchanges to obtain the product. The price may include direct charges (money, work), opportunity costs (time), psychological costs (worry, risks, doubts, embarrassment), and trade-offs for future health (giving up smoking). Naturally, if the consumer thinks the price is too high, or feels the costs outweigh the benefits, he or she will not “buy” the product (utilize the health service, or change a health behavior).

Place: This is the place or the channels for *distributing* the product. Distribution may include health clinics, health professionals, community organizations, and mass media. In determining the “place” or distribution of a product, the health organization must consider the ease of access by the consumer. If the product is a health clinic, the organization must consider accessibility, parking facilities, transportation, clinic hours, waiting time, paper work, and the way clinic staff treat the patients.

Promotion: This refers to the communication aspects of a marketing program and may involve advertising, publicity and personal contact. Information gathered during the market analysis should be used to determine the most effective media to use and to design effective messages. If the right media are not used, the message may never reach the targeted market. If the message is not effective, it will not persuade the audience, no matter what media are used.

Communication Strategy

The communication strategy can make or break a marketing campaign. It encompasses and builds upon all four components of the marketing mix: product, price, place and promotion. The communication strategy will be apparent in the product (health education messages) and in the promotion component (advertising and publicity messages, public speaking, brochures and posters, exhibits, etc.).

The effectiveness of the communication strategy hinges on the selection and use of *appropriate media* and the development of *effective messages*.

Media Selection

The health organization must identify the most effective media to be used and determine the weight that can be given to each

in terms of budget and effort, the approaches that will be taken (paid advertising, public service announcements, etc.), and the timing and frequency of media and messages (heavy introductory phase followed by lower sustaining levels; or steady, continuous flow with periodic bursts).

In making its media selections, an organization should not forget interpersonal channels. Word-of-mouth is still the primary way many consumers hear about health services and receive health education. Health organizations should identify the most effective channels of interpersonal communication: community organizations, opinion leaders, clients who can talk to prospective clients, etc.

Message Design

Messages developed to promote health services or persuade the target population to change health behaviors should contain:

- the basic benefits the consumer can expect (a longer, healthier life, etc.)
- evidence to support the promised benefits (studies show that smokers who stop smoking greatly reduce their risk of heart disease and lung cancer).
- the specific action the consumer should take (call this number; get prenatal care early; etc.).
- a consistent tone or image (friendly, personal, upbeat, serious, etc.).
- language appropriate to the reading level of the audience.

Putting it All Together

Using the demands and needs of the target population as a guide, the health organization makes decisions about the product, price, place and promotion, and incorporates these into a formal plan-of-action, or *market strategy*. But before this plan is implemented, it should be pretested to determine its effectiveness with the target group.

Pretesting

Consider the following situation: A health agency has developed a marketing strategy for a new program to provide HIV testing to persons at risk for developing AIDS. Without going into great detail:

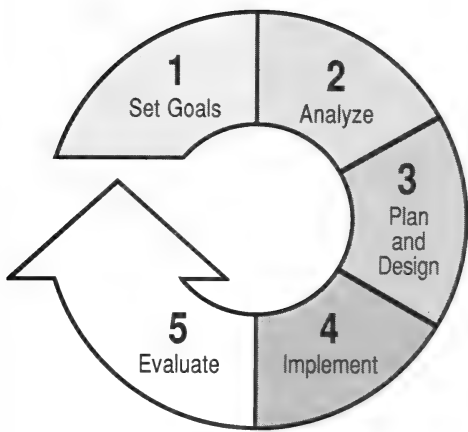
The *product* is HIV testing and counseling.

The *price* includes: the embarrassment of making an appointment to have a test; the fear of having a positive test result; the cost of making a long-distance phone call (if it isn't toll-free); the time involved in visiting the clinic; and other "costs," such as arranging transportation or babysitting, and taking time off from a job.

The *place* is the building and geographic location of the clinic; parking and transportation facilities; and health professionals who provide the testing and counseling.

The *promotion* involves the use of an appropriate message on television public service announcements and transit cards (subway and bus posters) to persuade prospective clients to: (1) call and make an appointment, and (2) show up for their appointments.

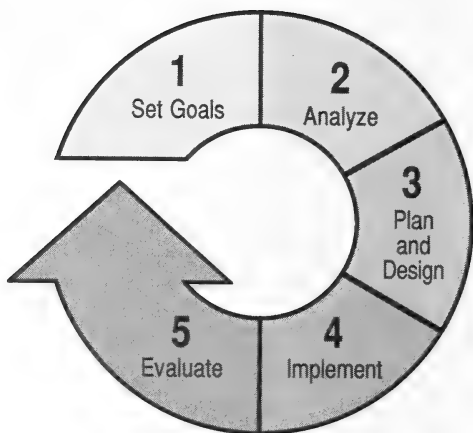
All four components of the marketing strategy can be pretested through the use of focus groups. Focus-group testing involves presenting the components of the marketing plan to one or more groups comprised of 8-12 persons from the target audience. A trained leader asks group members a series of questions designed to elicit their opinions on the program and test the effectiveness of the communication strategy. Based on comments, complaints or suggestions from group members, the health organization modifies the marketing strategy to make it more acceptable and effective with the target group.



Stage 4

Implementation

Once the market strategy is developed and pretested, it can be put into action. This involves implementing the plan-of-action, monitoring marketing progress, and monitoring the performance of the health organization. Responsibility for overseeing the marketing program should be given to one person, who makes sure that the product, price, place and promotion components all fall into place according to plan.



Stage 5

Evaluation

As the implementation proceeds, public response to the marketing strategy is assessed to determine whether the program is meeting its objectives. Mid-course corrections may be needed if consumer response is below expectations or if consumers express dissatisfaction with any of the four components of the plan.

During the evaluation stage, staff should assess:

- consumer responses (use, attitude, acceptance, interest, satisfaction).
- health professionals' responses.
- communication effectiveness (awareness, comprehension, recall, reaction, perceptions).



Use the Marketing Approach

Marketing enables health organizations to understand the needs and desires of health consumers and to use this understanding to build appealing programs and services. Consumer wants, needs, expectations, and satisfactions/dissatisfactions are determined during the market analysis. A market strategy (using the four Ps) is developed to achieve defined goals and objectives. And, finally, consumer and market response is continuously evaluated, and changes in the program made as required.

For Further Reading

Books

Edmonson, Brad, and Francese, Peter. *Health Care Consumers*. Ithaca, NY: American Demographics Institute. (Available from the Institute by calling (607) 273-6343.)

Fine, S.B. *The Marketing of Ideas and Social Issues*. New York: Praeger, 1981.

Frederickson, L.W., Solomon, L.J., and Brehony, K.A. (Eds.) *Marketing Health Behavior*. New York: Plenum Press, 1984.

Manoff, R. *Social Marketing*. New York: Praeger, 1985.

Winning the Marketing Game. New York: MediaMark Research Inc., 1987. (Available directly from the publisher by calling (212) 599-0444).

Periodicals

American Demographics, 127 West State Street, P.O. Box 68, Ithaca, NY 14851 (800-462-8686).

Health Marketing Quarterly, 28 East 22nd Street, New York, NY 10010.

Healthcare Marketing Report, P.O. Box 76002, Atlanta, GA 30358-1002.

Medical Economics, Oradell, NJ 07649.

Modern Healthcare, Crain Communications, 740 Rush Street, Chicago, IL 60611.

Articles

Bloom, P.N. and Novelli, W.D., "Problems and Challenges of Social Marketing." *Journal of Marketing*, 1981, 45, 79-88.

Lefebvre, R.D., Harden, E.A., and Zompa, Barbara. "The Pawtucket Heart Health Program: Social Marketing to Promote Community Health." *Rhode Island Medical Journal*, Providence, RI, December 1987.

Lefebvre, R.C., Lasater, R.M., Carleton, R.A. and Peterson, G.S. "Theory and Delivery of Health Programming in the Community: The Pawtucket Heart Health Program." *Preventive Medicine*, 1987, 16, 80-95.

Lefebvre, R.C., Peterson, G.S., McGraw, S.A., Lasater, R.M., Sennett, L., Kendall, L., and Carleton, R.A. "Community Intervention to Lower Blood Cholesterol": The 'Know Your Cholesterol' Campaign in Pawtucket, RI. *Health Education Quarterly*, 1986, 13, 117-129.



State of New York
George E. Pataki, Governor

Department of Health
Barbara A. DeBuono, M.D., M.P.H., Commissioner